

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF THE APPLICATION OF |) | |
| SILVER STAR TELEPHONE COMPANY FOR |) | CASE NO. SIL-T-08-01 |
| AN INVESTMENT TAX CREDIT FOR |) | |
| INSTALLING QUALIFIED BROADBAND |) | |
| EQUIPMENT FOR THE YEAR 2007. |) | ORDER NO. 30585 |
| |) | |

On May 12, 2008, Silver Star Telephone Company filed an Application requesting approval of equipment for broadband tax credit for the year 2007 pursuant to Order No. 28784 and *Idaho Code* § 63-3029I(4). To be eligible for the tax credit, the taxpayer must obtain an Order from the Commission confirming that the communications equipment has been installed and that it meets the definition of qualified broadband equipment set out in *Idaho Code* § 63-3029I(3)(b). Qualified broadband equipment must be capable of transmitting signals at a rate of at least 200,000 bits per second (bps) to a subscriber and at least 125,000 bps from a subscriber. In this Order, we find that the Company's equipment meets the applicable standards.

THE APPLICATION

Silver Star submits that in 2007 it installed fiber optic cables and central office and outside equipment to offer Asymmetric Digital Subscriber Line (ADSL), Symmetrical Digital Subscriber Line (SDSL) and Trunk level (T-1) services. The Company asserts that the network transmission rates for this installed equipment is between 256 Kbps and 4 Mbps upstream and between 256 Kbps and 9 Mbps downstream to customers. The Company states that it provides 129 out of 619 possible customers with broadband service in the counties of Bonneville and Caribou. Silver Star claims a broadband investment of approximately \$155,600 in 2007.

STAFF REVIEW

To implement its responsibilities under *Idaho Code* § 63-3029I, the Commission issued Procedural Order No. 28784 in July 2001. This Order identifies information that must be included in an application for a broadband tax credit. Once the information is filed with the Commission, the Staff reviews the application and submits a recommendation to the Commission.

Staff has reviewed the list of broadband equipment installed by Silver Star Telephone Company in 2007 and believes that it qualifies for the investment tax credit pursuant to Procedural Order No. 28784 and *Idaho Code* § 63-3029I(3)(b). Further, Staff believes that the expenditures identified by the Company, a telecommunications provider, were for equipment that is “necessary for the provision of broadband services and an integral part of a broadband network.” As a result, Staff recommended approval of the Application and further recommended that the Commission forward a copy of the original Application along with an Order certifying that the equipment meets the qualifications for broadband tax credit to the Idaho State Tax Commission.

COMMISSION FINDINGS

Having reviewed Silver Star Telephone Company’s Application and Staff’s recommendations, we find that the Application for a qualifying broadband equipment Order should be granted. The Company has demonstrated that it installed qualifying broadband equipment, identified in its Application, during 2007 in conformance with *Idaho Code* § 63-3029I. We further find that as configured, the installed equipment is an integral part of a broadband network necessary to deliver broadband services to Idaho customers. Based on the foregoing, the Commission issues this Order confirming that Silver Star Telephone Company has installed qualified broadband equipment as a precondition to seeking an Idaho broadband tax credit. The Commission makes no findings regarding the costs of the installed broadband equipment.

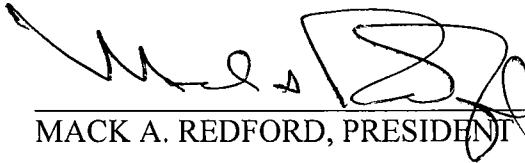
ORDER

IT IS HEREBY ORDERED that Silver Star Telephone Company’s Application for an Order certifying that it has installed qualifying broadband equipment for 2007 is granted.

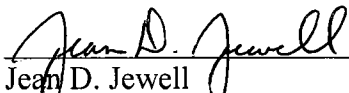
IT IS FURTHER ORDERED that a copy of this Order and a copy of the Application be served upon the Idaho State Tax Commission.

THIS IS A FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* §§ 61-626, 63-3029I(4).

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho, this 26th
day of June 2008.


MACK A. REDFORD, PRESIDENT
MARSHA H. SMITH, COMMISSIONER
JIM D. KEMPTON, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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